

5.10 For Independent Public Accountants, completing Agreed-Upon Procedures (Online)

An auditor will attest to the lender's submission once it is submitted for IPA Review. The Agreed Upon Procedures ensure the financial data entered into LASS by the lender is accurate and ties to the lender's hard-copy financial statements.

Step 1: Login to Secure Systems using <http://www.hud.gov/offices/real/online/reasyst.cfm>

Note: For detailed instructions on logging into LASS, refer to **Section 2.0 - Logging into LASS**.

Step 2: After selecting the client's name from the dropdown list, the inbox will be displayed with the status of the lender's submission in 'IPA Review'. See below.

Note: The dropdown box from Step 2 contains all lenders that are assigned to the auditor. When the user clicks the lender's name, the submission pages for that lender will be displayed after clicking on 'Search'.

Lender Name

ANY LOAN INC. ▼

Status

ALL ▼ Search

STATUS	LENDER NUMBER	LENDER NAME	PROGRAM TYPE	FISCAL YEAR END	LASS ANALYST
IPA Review	1654100007	ANY LOAN INC.	Title II Loan Correspondent	12/31/2001	Not Assigned

Step 3: Click on the 'IPA Review' status link.

Step 4: The following statement appears:



Are you the same auditor that conducted the financial statement audit?

Yes No

Step 5: If you are the same audit firm that completed the financial statement audit of the lender, click the 'Yes' button. If you are **NOT** the same audit firm that completed the financial statement audit of the lender, click the 'No' button.

Note: The form will vary slightly depending on how you answer the above question but the overall objective of the form is the same.

Step 6: After clicking 'Yes' or 'No' the Auditor Procedure page is displayed:

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURE	
<p>We have performed the procedure described in the second paragraph of this report, which was agreed to by _____ (the "lender") and the U.S. Department of Housing and Urban Development, solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents. The lender is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.</p> <p>We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of electronically submitted information and hard copy documents as shown in the chart below.</p> <p>We were engaged to perform an audit of the financial statements of the lender as of and for the year ended _____, and have issued our reports thereon dated _____. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Financial Data Templates (FDT) dated _____, was expressed in relation to the basic financial statements of the lender taken as a whole.</p> <p>A copy of the financial statement package and the FDT, which includes the auditor's reports, is available in its entirety from the lender. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development.</p> <p>This report is intended solely for the information and use of the lender and the U.S. Department of Housing and Urban Development, and is not intended to be and should not be used by anyone other than these specified parties.</p>	

Procedure	UFRS Rule Information	HARD COPY DOCUMENTS	AGREES	DOES NOT AGREE
1	Balance Sheet, Statement of Operations and Changes in Retained Earnings and Statement of Cash Flows, and Computation of Adjusted Net Worth Schedule (data elements 111-1390 under the above listed tabs - "Details" links are included)	Financial Data Template	<input type="radio"/>	<input checked="" type="radio"/>
2	Information about opinion on the financial statements, internal control and supplementary report on FDT (data elements G3000-005 - G3000-040 under the financial statements tab - "Details" links are <u>not</u> included)	Report on Basic Financial Statements, Report on Internal Control, Auditor's supplemental report on FDT	<input type="radio"/>	<input checked="" type="radio"/>
3	Information about opinion on compliance and Type of Material Noncompliance (data elements G3000-070 - G3000-083)	Report on Compliance and Schedule of Findings and Questioned Costs	<input type="radio"/>	<input checked="" type="radio"/>
4	Footnotes (data element G3000-010)	Footnotes to audited basic financial statements	<input type="radio"/>	<input checked="" type="radio"/>
5	Audit Findings (data element G5200-010)	Schedule of Findings and Questioned Costs	<input type="radio"/>	<input checked="" type="radio"/>
6	Corrective Action Plan (data element G5300-020)	Corrective Action Plan	<input type="radio"/>	<input checked="" type="radio"/>
UII:*				00010
Firm Name:*				McLean Koehler Sparks & Hammond-Baltimore
Employer Identification Number:*				520547375
Date:*				<input type="text"/>

Attesting Practitioner's First Name: *	<input type="text"/>
Attesting Practitioner's Middle Name:	<input type="text"/>
Attesting Practitioner's Last Name: *	<input type="text"/>
Attesting Practitioner's Title:	<input type="text"/>
Attesting Practitioner's Telephone Number: *	<input type="text"/> - <input type="text"/> - <input type="text"/>
Attesting Practitioner's Fax Number:	<input type="text"/> - <input type="text"/> - <input type="text"/>
Attesting Practitioner's E-mail Address:	<input type="text"/>
* Required items	

[Complete](#)

Step 7: The auditor is required to fill out all sections of this page completely.

Step 8: To view the lender's financial data, click on the 'Reports' link at the top of the page. Click on the 'Financial Data Template Reports' link from the reports menu. See below.



[Inbox](#) | [Lender Info](#) | [Financial Data Template](#) | [Data Collection Form](#) | [Notes & Findings](#) | [Submit](#)

Reports

Click the link for the report you wish to display:

[Top-Level Financial Statements](#)
[Financial Data Template Reports](#)
[Auditor Procedures Report](#)
[Lender History Report](#)

Click here to access the lender's financial data



Step 9: Compare the numbers listed in the Financial Data Template Reports to those of the hard-copy financial statements.

Step 10: Click the 'Back to Report Selection' link at the top of the page.

Step 11: Click the 'Data Collection Form' link at the top of the page. Review both the General Information and Financial Statements tabs on the Data Collection Form. See below:

**Lender Assessment
Electronic Submission**

U.S. Department of Housing and Urban Development
Office of Lender Activities

[Inbox](#) | [Lender Info](#) | [Financial Data Template](#) | [Data Collection Form](#) | [Notes & Findings](#) | [Submit](#)

Reports

Click the type of report you want displayed.

[Top-Level Financial Statement Reports](#)

[Financial Data Template Reports](#)

[Auditor Procedures Report](#)

[Lender History Report](#)

Click here to view the lenders DCF information

Step 12: Click the 'Back to Report Selection' link at the top of the page.

Step 13: Click the 'Notes & Findings' link at the top of the page to review the lender's Footnotes, and Audit Findings (if necessary) and/or Action Plan (if necessary)

Step 14: Click on the 'Inbox' link at the top of the page.

Step 15: Click on the 'IPA Review' status link.

Step 16: Answer the question the same as you did before reviewing the lender's financial data.

Step 17: Fill out all information in the first section of the Auditor Procedures titled 'Independent Accounts Report on Applying Agreed Upon Procedure'. See below.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURE
<p>We have performed the procedure described in the second paragraph of this report, which was agreed to by _____ (the "lender") and the U.S. Department of Housing and Urban Development, solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents. The lender is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.</p> <p>We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of electronically submitted information and hard copy documents as shown in the chart below.</p> <p>We were engaged to perform an audit of the financial statements of the lender as of and for the year ended _____, and have issued our reports thereon dated _____. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Financial Data Templates (FDT) dated _____, was expressed in relation to the basic financial statements of the lender taken as a whole.</p> <p>A copy of the financial statement package and the FDT, which includes the auditor's reports, is available in its entirety from the lender. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development.</p> <p>This report is intended solely for the information and use of the lender and the U.S. Department of Housing and Urban Development, and is not intended to be and should not be used by anyone other than these specified parties.</p>

Step 18: Complete the next section in the Auditor Procedures. Click the radio button underneath the 'Agree' header, if the submission data agrees to the hard-copy financial statements or click the radio button underneath the 'Does Not Agree' header if the submission data does not agree with the hard-copy financial statements. See below.

Note: The 6 Auditor Procedures will default to 'Does Not Agree'.

Procedure	UFRS Rule Information	HARD COPY DOCUMENTS	AGREES	DOES NOT AGREE
1	Balance Sheet, Statement of Operations and Changes in Retained Earnings and Statement of Cash Flows, and Computation of Adjusted Net Worth Schedule (data elements 111-1390 under the above listed tabs - "Details" links are included)	Financial Data Template	<input type="radio"/>	<input checked="" type="radio"/>
2	Information about opinion on the financial statements, internal control and supplementary report on FDT (data elements G3000-005 - G3000-040 under the financial statements tab - "Details" links are <u>not</u> included)	Report on Basic Financial Statements, Report on Internal Control, Auditor's supplemental report on FDT	<input type="radio"/>	<input checked="" type="radio"/>
3	Information about opinion on compliance and Type of Material Noncompliance (data elements G3000-070 - G3000-083)	Report on Compliance and Schedule of Findings and Questioned Costs	<input type="radio"/>	<input checked="" type="radio"/>
4	Footnotes (data element G3000-010)	Footnotes to audited basic financial statements	<input type="radio"/>	<input checked="" type="radio"/>
5	Audit Findings (data element G5200-010)	Schedule of Findings and Questioned Costs	<input type="radio"/>	<input checked="" type="radio"/>
6	Corrective Action Plan (data element G5300-020)	Corrective Action Plan	<input type="radio"/>	<input checked="" type="radio"/>

Step 19: Complete the remainder of the information on the Auditor Procedures form.

Note: *UII number procedures:*

- If you answered 'Yes' to the question in **Step 5**, the UII number on the form is auto-populated and will not need to be filled out.
- If you answered 'No' to the question in **Step 5**, you will need to enter in your UII number and click the 'Search' button to the left of the number. After clicking the search button, the page will refresh and populate the Firm Name and EIN for the auditor. See below.

UII:*	<input type="button" value="Search"/>	<input type="text" value="00000"/>
UII:*		00100
Firm Name:*		ABC Company
Employer Identification Number:*		132684524

After page reloads (above)

Step 20: Print the Auditor Procedure page after filling in all required fields.

Step 21: Once printed, click the 'Complete' button at the bottom of the page.

Step 22: If you selected 'Agree' for all line items, the following message will appear:

<p align="center">Action Required!</p> <p>You have Agreed with your lender's submission. Please contact your lender so that they submit their financial information to HUD.</p>
--

Note: *If you selected 'Agree', you MUST contact your client and let them know you have agreed and they can now submit the financials to HUD. (For instructions on submitting to HUD, refer to Section 5.12 of this manual.)*

Step 23: If you selected 'Does Not Agree' for one or more line items, the following message will appear:

<p align="center">Action Required!</p> <p>You have Disagreed with your lender's submission. Please contact your lender so that they correct the necessary items and can resubmit their financial information for IPA Review.</p>

Note: *if you selected 'Disagree' you MUST contact your client and let them know you have disagreed. The lender must correct what you disagreed with and resubmit the financials to the auditor for attestation. (For instructions on resubmitting to the IPA, refer to Section 5.11 of this manual) In this scenario, the auditor would need to follow the steps in this section until the auditor agrees.*

Step 24: The auditor may view the completed Auditor Procedure Report after the above steps are complete.

Step 25: Click on the 'Reports' link after selecting the client's submission from the inbox.

Step 26: Click on the 'Auditor Procedure Report' link. See below.

[Inbox](#) | [Lender Info](#) | [Financial Data Template](#) | [Data Collection Form](#) | [Notes & Findings](#) | [Submit](#)

Reports | [Auditor Procedures](#)

Click the type of report you want displayed.

[Top-Level Financial Statement Reports](#)

[Financial Data Template Reports](#)

Auditor Procedures Report 

[Lender History Report](#)

[User Guide and System Documentation](#) | [LASS Technical Assistance](#)

Note: The Auditor Procedure Report is only available after the auditor clicks on 'Complete' in the Auditor Procedures section.

Step 27: The Auditor Procedures Report displays. The beginning of the report will resemble the following: (below)



[Back to Report Selection](#)

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURE

We have performed the procedure described in the second paragraph of this report, which was agreed to by **ABC Company** (the "lender") and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents. The lender is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of electronically submitted information and hard copy documents as shown in the chart below.

We were engaged to perform an audit of the financial statements of the lender as of and for the year ended 7/31/01, and have issued our reports thereon dated 10/01/01. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Financial Data Templates (FDT) dated 10/01/01, was expressed in relation to the basic financial statements of the lender taken as a whole.